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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 13, 2001

JOINT PETITION OF

E.ON AG, POWERGEN plc,
LG&E ENERGY CORP.,

CASE NO. PUA010028

and

KENTUCKY UTILITIES COMPANY

For approval of an acquisition

ORDER FOR NOTICE AND COMMENT

On June 12, 2001, E.ON AG ("E.ON"), Powergen plc ("Powergen"), LG&E Energy Corp. ("LG&E Energy"), and Kentucky Utilities Company d/b/a Old Dominion Power Company ("KU"), (collectively referenced as "Petitioners"), filed a joint petition pursuant to Chapter 5 of Title 56 of the Code of Virginia ("Code") for approval of the transfer of ownership and control of KU by Powergen to E.ON or an E.ON affiliate, all in accordance with terms of a preconditional offer announcement, under which E.ON will offer to acquire all outstanding shares of Powergen stock. The Petitioners also request that the Commission determine that E.ON, Powergen, LG&E Energy or any intermediate company between LG&E Energy or E.ON will not, by reason of its ownership of all of the outstanding shares of common stock of LG&E Energy, be a public service company in

Virginia as defined in § 56-1 of the Code. The Petitioners further request that the Commission certify to the Securities and Exchange Commission pursuant to § 33(a)(2) of the Public Utility Holding Company Act that the Commission has the authority and resources to protect the ratepayers of KU subject to its jurisdiction and that it intends to exercise such authority. Finally, the Petitioners request that the Commission declare that no further approval is required pursuant to Chapter 4 of Title 56 of the Code for the Utility Service Agreement between LG&E, KU, and LG&E Energy Services (the "Services Agreement").¹

NOW THE COMMISSION, having considered the matter, is of the opinion that public notice should be given, interested persons should be provided with an opportunity to comment and request a hearing, and the Commission Staff should file a report detailing the results of its review of the joint petition.

Accordingly, IT IS ORDERED THAT:

(1) The Petitioners shall promptly make a copy of their joint petition and supporting materials available to the public, who may obtain a copy of the joint petition, at no charge, by requesting it in writing from the Petitioners' counsel at the address detailed below.

¹ The Service Agreement was approved by the Commission by Order dated August 10, 2000, in Case No. PUA000050.

(2) On or before July 20, 2001, any interested person may file with the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, an original and fifteen (15) copies of comments on the above-captioned application and shall refer to Case No. PUA010028.

(3) On or before July 20, 2001, any person desiring a hearing in this matter shall file an original and fifteen (15) copies of a request for hearing with the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer in his or her request to Case No. PUA010028. Any request for hearing shall detail the reasons that such issues cannot be adequately addressed in written comments.

(4) A copy of such comments and requests for hearing shall simultaneously be sent to counsel for the Petitioners as follows: Kendrick R. Riggs, Esquire, Ogden Newell & Welch, 1700 Citizen Plaza 500 West Jefferson Street, Louisville, Kentucky 40202.

(5) On or before July 20, 2001, any person filing comments or requests for hearing may also file a notice of participation in accordance with Rule 80 B of the Commission's Rules of Practice and Procedure, 5 VAC 5-20-80 B. A copy of any notice of participation must simultaneously be sent to the Petitioners'

counsel at the address set forth in Ordering Paragraph (4) above.

(6) The Commission Staff shall review the joint petition and shall file, on or before August 23, 2001, an original and fifteen (15) copies of its report detailing the results of its investigation of the matter.

(7) The Petitioners shall respond to written interrogatories within seven (7) calendar days after receipt of the same. Except as modified above, discovery shall be in accordance with Part IV of the Commission's Rules of Practice and Procedure.

(8) On or before July 6, 2001, the Petitioners shall publish the following notice as display advertising, not classified, once in newspapers of general circulation in the Petitioners' service territories.

NOTICE OF THE JOINT PETITION OF
E.ON AG, POWERGEN plc, LG&E ENERGY CORP.,
AND KENTUCKY UTILITIES COMPANY
CASE NO. PUA010028

E.ON AG ("E.ON"), Powergen plc ("Powergen"), LG&E Energy Corp. ("LG&E Energy"), and Kentucky Utilities Company d/b/a Old Dominion Power Company ("KU"), (collectively referenced as "Petitioners"), filed a joint petition requesting approval pursuant to §§ 56-88.1 and 56-90 of the Code of Virginia ("Code") for the transfer of ownership and control of KU by Powergen to E.ON or an E.ON affiliate. The Petitioners also request that the Commission determine that E.ON, Powergen, LG&E Energy or any

intermediate company between LG&E Energy or E.ON will not, by virtue of its ownership of all of the outstanding shares of common stock of LG&E Energy, be a public service company in Virginia as defined in § 56-1 of the Code. Finally, the Petitioners request that the Commission declare that no further approval is required pursuant to Chapter 4 of Title 56 of the Code for the Utility Service Agreement between LG&E, KU, and LG&E Energy Services (the "Services Agreement"), which was approved by the Commission in Case No. PUA000050.

A copy of the above-referenced petition is available for inspection during regular business hours at the State Corporation Commission, Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. Interested persons may obtain a copy of the joint petition, at no charge, by requesting a copy in writing from the Petitioners' counsel at the address noted below: Kendrick R. Riggs, Esquire, Ogden Newell & Welch, Citizens Plaza, 500 West Jefferson Street, Louisville, Kentucky 40202.

On or before July 20, 2001, any interested person may file with the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, an original and fifteen (15) copies of any comments and/or requests for hearing on the above-referenced petition. Such comments and requests must refer to Case No. PUA010028. All comments or requests for hearing must be sent simultaneously to the Petitioners at the address set forth above.

On or before July 20, 2001, any person filing comments or requests for hearing may also file a notice of participation in accordance with Rule 80 of the Commissions Rules of Practice and Procedure, 5 VAC 5-20-80 B. A copy of any notice of participation

must simultaneously be sent to the
Petitioners' counsel at the address set
forth above.

A copy of the Order for Notice and Comments
may be obtained from the Clerk of the
Commission. The text of the Order may be viewed
at the Commission's website:
<http://www.state.va.us/scc/caseinfo/orders.htm>

E.ON AG, POWERGEN plc, LG&E ENERGY CORP.,
AND KENTUCKY UTILITIES COMPANY

(9) The Petitioners shall forthwith serve a copy of this
Order on the Chairman of the Board of Supervisors of any county
and upon the Mayor or Manager of any county, city, or equivalent
officials in counties, towns, and cities having alternate forms
of government within the Petitioners' service territories.
Service shall be made by first-class mail or delivery to the
customary place of business or residence of the person served.

(10) On or before July 20, 2001, the Petitioners shall
provide the Commission with proof of notice required in Ordering
Paragraphs (8) and (9).